

ORDINANCE NO. 2

An Ordinance Providing for the Construction of a System of Sanitary Sewers in the East Side General Improvement District of Las Animas, Bent County, Colorado, together with necessary in-lets, man-holes, connecting mains, lifting stations and such other appurtenances as are necessary to connect said system with the existing system of sewers of the City of Las Animas, Bent County, Colorado, ratifying all action heretofore taken in regard to said sewer system; directing the issuance of General Obligation Bonds of said District, payable from ad valorem taxes to be levied, providing the form of said Bonds, and declaring an emergency.

WHEREAS, the organization of the East Side General Improvement District, herein sometimes called the District, of the City of Las Animas, County of Bent, State of Colorado, has been completed, and it is now a public corporation, organized and existing under and by virtue of the Constitution and laws of the State of Colorado; and

WHEREAS, the question of contracting an indebtedness of the District by the issuance of bonds to pay for the construction of said system of sanitary sewers was duly submitted to the taxing electors of the East Side General Improvement District of Las Animas, Colorado, at a special election held for that purpose on April 12, 1955, and resulted in the casting of fifty-one (51) votes, with forty-six (46) FOR and five (5) AGAINST, contracting such indebtedness and issuance of bonds.

WHEREAS, the City Council, ex-officio the Board of Directors of East Side General Improvement District of Las Animas, Colorado, hereby determines to finance wholly the construction of said system of sanitary sewers by issuance of its East Side General Improvement District of Las Animas, Colorado, general obligation bonds in the aggregate principal amount of \$18,000.00; and

WHEREAS, said bonds were duly advertised for sale and were duly awarded to Beutcher and Company.

NOW, THEREFORE, Be it ordained by the City Council of Las Animas, Colorado, ex-officio the Board of Directors of the East Side General Improvement District of Las Animas, Bent County, Colorado:

Section 1. That a system of sanitary sewers be constructed in said District which includes:

Blocks 5, 6, 7, 8, 9, 10, 13, 20, 21, 22, 23, 24, and 35, all in the half-block Addition to the City of Las Animas, Bent County, Colorado,

and the construction of said sanitary sewer system is hereby authorized, including, but without limitation thereto, the construction of all necessary mains, in-lets, connecting mains, lifting stations and appurtenances.

Section 2. That all actions heretofore taken by the City of Las Animas, the officers of the City and the City Council of said City, acting as the Board of Directors of the East Side General Improvement District, directing wholly the construction of such a system of sanitary sewers, and the issuance of the District's general obligation bonds, series of 1955, for the purpose of financing said construction be and the same is hereby ratified, approved and affirmed, including the sale of bonds.

Section 3. That in order to provide funds for the foregoing purpose, the District shall issue its negotiable coupon bonds in the aggregate principal amount of \$18,000, to be dated July 1, 1955, consisting of 18 bonds in the denomination of \$1,000 each, numbered from 1 to 18, inclusive, and maturing serially on July 1, \$1,000 in each of the years 1957 to 1974, inclusive. Bonds shall bear interest at the rate of 4 1/2%; said interest being payable semi-annually on the first day of July and the first day of January each year to be evidenced by interest coupons attached to said bonds. Bonds maturing in the years 1955 and thereafter shall be redeemable at the option of the District on July 1, 1955, and on any interest payment date thereafter in inverse numerical order, at par and accrued interest to date of redemption, upon notice of redemption being given by the Treasurer of the District by publication of such notice at least once at least thirty (30) days prior to the redemption date in a newspaper of general circulation in the City of Las Animas, Colorado.

Both principal and interest shall be payable in lawful money of the United States of America at the First National Bank of Las Animas, Las Animas, Colorado.

Section 4. That the bonds hereby authorized shall be fully negotiable and shall have all the qualities of negotiable paper, and the holder or holders thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Negotiable Instruments Law. In the event any of said bonds shall not be paid at maturity, they shall continue to draw interest at the coupon rate specified in the bonds. Said bonds shall be payable to the bearer and shall be executed in the name of and on behalf of the East Side General Improvement District of Las Animas, County of Bent, State of Colorado, by the President of its Board of Directors, attested by the Secretary and sealed with the corporate seal of said District, all as of the first day of July, 1955, and the interest coupons thereto attached shall bear the facsimile signature of the President of said District as it appears on said bonds, which officer, by the execution of said bonds, shall adopt as and for his signature; the facsimile thereof appearing on said bonds. Said bonds bearing the signatures of the officers at the time of signing thereof shall be the valid and binding obligation of the East Side General Improvement District of Las Animas, Bent County, Colorado, notwithstanding that before the delivery or payment thereof, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices.

Section 5. That said bonds and the coupons attached thereto shall be in substantially the following form:

UNITED STATES OF AMERICA
State of Colorado County of Bent
East Side General Improvement
District of Las Animas, Bent
County, Colorado, General
Obligation Bond
Series of 1955
No. — \$1,000

The East Side General Improvement District of Las Animas, Bent County, Colorado, for value received hereby promises to pay to the bearer hereof the principal sum of

ONE THOUSAND DOLLARS

in lawful money of the United States of America, on the first day of July, 19—, with interest thereon at the rate of four and one-fourth per centum (4 1/4%) per annum, payable semi-annually on the first day of July and the first day of January each year upon the presentation and surrender of this bond and the attached coupons as they severally become due, at the First National Bank of Las Animas, Las Animas, Colorado.

(The following paragraph to be inserted in bonds maturing in 1961 and thereafter):

This bond is redeemable at the option of this District upon payment of par and accrued interest on July 1, 1960, and on any interest payment date thereafter in its inverse numerical order in the issue of which it is one upon not less than thirty (30) days prior notice by publication in a newspaper of general circulation in the City of Las Animas, Colorado.

This bond is one of a series of 18 bonds of like tenor, amount and date issued and authorized by the East Side General Improvement District of Las Animas, Bent County, Colorado, for the purpose of constructing a sanitary sewer system with all necessary appurtenances serving the whole of the East Side General Improvement District, all in full conformity with the Constitution and laws of the State of Colorado and Ordinance No. 330 and Ordinance No. 2, duly adopted and published prior to the issuance hereof.

It is hereby certified, recited and warranted that the total indebtedness of said District including that of this Bond, does not exceed any constitutional or statutory limitation of the State of Colorado, that at an election lawfully held in the District on the 12th day of April, 1955, the issuance of this bond was authorized by the duly qualified taxing electors of the District, and that provision has been made for the levy and collection of a direct annual tax on all the taxable property within the District, sufficient to pay the interest on and the principal of this bond as the same respectively become due.

This bond is subject to the condition, and every holder hereof, by accepting the same agrees with the obligor and every subsequent hold-

er hereof, that (a) the delivery of this bond to any transferee shall vest title in this bond in the interest coupons attached thereto to such transferee to the same extent and for all purposes as would the delivery under like circumstances of any negotiable instrument payable to the bearer; (b) the obligor or any agent of the obligor may treat the bearer of this bond as the absolute owner hereof for all purposes and shall not be affected by any notice to the contrary; (c) the principal of and the interest on this bond shall be paid and this bond and each of the coupons appertaining thereto are transferable free from and without regard to any equities between the obligor and the original or any intermediate holder hereof or any set-offs or cross claims; (d) the surrender to the obligor or any agent of the obligor of this bond and of each of the coupons shall be a good discharge to the obligor for the same.

It is further certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of said East Side General Improvement District in the issue of this bond.

IN WITNESS WHEREOF, the East Side General Improvement District of Las Animas, Bent County, Colorado, has caused this bond to be executed in the name of and on behalf of said District by the President, attested by its Secretary and sealed with its corporate seal, and the coupons hereto annexed to be signed with the facsimile signature of said President as of the first day of July, 1955.

The East Side General Improvement District of Las Animas, Bent County, Colorado.

(SEAL)

By _____ President.

Attest: _____ Secretary.

(Form of Coupon)

No. — \$21.25

On the first day of January, July, 19—, (unless the bond to which this coupon is attached has been called for prior redemption), the East Side General Improvement District of Las Animas, Bent County, Colorado, will pay to the bearer

Twenty-one and 25-100 Dollars in lawful money of the United States of America at the First National Bank of Las Animas, Colorado, being six months' interest on its East Side General Improvement District of Las Animas, Bent County, Colorado, General Obligation Bond, Series of 1955, bearing

No. — (Facsimile Signature)

President.

*(This clause to appear in coupons due January 1, 1961, and thereafter.)

Section 6. That the system shall continue to be operated for the purposes of this ordinance upon a fiscal year basis, commencing on the first day of January of each year and ending on the last day of December of the same year.

Section 7. (a) The East Side General Improvement District of Las Animas, Bent County, Colorado, hereby covenants that as long as any of the bonds hereby authorized are outstanding, the District shall not grant any franchise or license to operate the sewer system so constructed, nor will it permit any person, association, firm or corporation to sell sewer facilities to any consumer, public or private, within said District.

(b) The District further covenants that it will not sell, lease, mortgage, pledge or otherwise encumber, or in any manner dispose of or alienate the system, or any part thereof, including any and all changes and additions which may be made thereto, until all bonds herein authorized to be issued have been paid in full, both principal and interest.

Section 8. The interest to become due on said bonds on January 1, 1956, shall be advanced from any fund of the District available therefor. For the purpose of reimbursing such fund and paying the interest on and principal of said bonds when the same shall become due and payable, there shall be levied on all the taxable property in said District, in addition to all other taxes, direct annual taxes in each of the years 1955 to 1974, inclusive, sufficient to make such reimbursement and produce the interest on and principal of said bonds as the same become due and payable respectively. Said taxes,

when collected, shall be deposited in a special fund to be known as "The East Side General Improvement District of Las Animas, Bent County, Colorado, Bond Fund, 1955," and such Fund shall be applied solely to the purpose of the payment of the interest on and principal of said bonds, and for no other purpose whatever, until the indebtedness so contracted under this Ordinance, both principal and interest, shall have been fully paid, satisfied and discharged; but nothing herein contained shall be so construed as to prevent said District from applying any other funds that may be in the District treasury and available for that purpose, to the payment of said principal or interest, as the same respectively mature, and upon any such payment the levy or levies herein provided may be diminished to the extent of such payments.

Section 9. That the proceeds derived from the sale of said bonds will be deposited promptly upon the receipt thereof in the District's account in the First National Bank of Las Animas, Colorado, and such proceeds shall be used solely for the purpose of organizational expenses and engineering as well as for the purpose of constructing sanitary sewer system heretofore authorized. The proceeds shall be removed from said Bank only after the City Engineer of the City of Las Animas, Colorado, has certified to the Board that the amount so paid out is due for construction upon warrants signed by the proper District officials. That in order to insure the completion of said construction and to protect the holder or holders of the bonds issued hereunder, the East Side General Improvement District of Las Animas, Bent County, Colorado,

will require the contractor who is given any contract for the construction of said sanitary sewer system or any part thereof to supply completion bond or bonds satisfactory to the District, and that any sum or sums derived from the completion bond or bonds shall be used within six months after such receipt for the completion of said construction, and if not so used within such period shall be placed in and be subject to the provisions of the East Side General Improvement District Fund provided for herein.

Section 10. That the officers of said District be and they hereby are authorized and directed to take all action necessary or appropriate to effectuate the foregoing, the printing of said bonds and the execution of such certificates as reasonably may be required by the purchaser thereof.

Section 11. That in consideration of the District being permitted to connect the outfall of said sanitary sewer system with the existing system of sanitary sewers of the City of Las Animas, said City is hereby authorized to impose or assess such charges as it may now have or hereinafter enact for the purpose of providing and creating a fund for the construction of a sewage disposal plant as distinguished from the maintenance and operation of its existing system of sanitary sewers or for the payment or retirement of indebtedness incurred as a consequence of the construction of such a sewage disposal plant.

Section 12. That after said bonds have been issued this ordinance shall be irrevocable until the indebtedness provided herein, both

principal and interest, shall be fully paid, satisfied and discharged.

Section 13. That all by-laws, resolutions, and ordinances in conflict with this ordinance are hereby repealed.

Section 14. That if any one or more sections, sentences, clauses, or parts of this ordinance shall, for any reason, be questioned or held invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this ordinance, but shall be confined in its operation to the specific sections, sentences, clauses or parts of this ordinance so held unconstitutional or invalid, and the inapplicability and invalidity of any section, sentence, clause or part of this ordinance, in any one or more instances shall not affect or prejudice in any way the applicability and validity of this ordinance in any other instances.

Section 15. That by reason of the fact that the East Side General Improvement District of Las Animas, Bent County, Colorado, has no sanitary sewer system it is necessary immediately to raise funds to construct said system. Therefore, it is hereby declared that an emergency exists and that this ordinance is necessary for the immediate preservation of the public peace, health and safety.

Published once, read and passed, adopted and approved on second and third reading and ordered published this 7th day of June, 1955.

(SEAL)

(S) ALBERT F. COFFEY,
President.

Attest:
D. A. McAfee,
Secretary.

ATTEST:

D.A. McAfee
City Clerk and Ex-Officio Secretary

A. F. Coffey
Chairman and President Officer

STATE OF COLORADO)
COUNTY OF BENT) ss.
CITY OF LAS ANIMAS)

I, D. A. McAfee, City Clerk and Ex-Officio Secretary of the East Side General Improvement District of Las Animas, Bent County, Colorado, do hereby certify the above and foregoing ordinance was introduced, and read in full, passed on first reading at a regular meeting of the Board of Directors of the East Side General Improvement District held Monday, May 2, 1955, and published in the Las Animas Leader in its issue of May 17, 1955 and was finally passed, adopted and approved at a regular meeting of the East Side General Improvement District held June 7, 1955 and ordered published in the Las Animas Leader of said City as Ordinance No. 2 of the East Side General Improvement District of Las Animas, Bent County, Colorado and that said Ordinance was published with said order on June 9th, 1955.

D.A. McAfee
D.A. McAfee, City Clerk and
Ex-Officio Secretary